Regulator of Social Housing No: LH3926

Places for People Living+ Limited

Financial Statements

For the year ending 31 March 2023

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Board of Management	**Non Executives**	
	R Gregory	(Chair)
	R Cartwright	
	A Daniel	
	M Dunn	
	R Finn	
	G Kitchen	
	G Waddell	
	H Fridell	(Resigned 30 June 2022)
	N Hopkins	(Resigned 30 September 2022)
	Executives	
	G Reed	
	A Winstanley	
	D Marriott-Lavery	(Resigned 6 August 2022)
	T Weightman	(Resigned 8 September 2022)
	S Black	(Resigned 8 September 2022)
Secretary	K Alsop	(Appointed 1 July 2023)
	C Martin	(Resigned 1 July 2023)
Registered Office	305 Gray's Inn Road London WC1X 8QR	
Banker	Barclays Bank Plc 38 Fishergate Preston PR1 2AD	
Registered Auditor	MHA Moorgate House 201 Silbury Boulevard Milton Keynes MK9 1LZ	
Registration of the Association	The Association is registered under the Cooperative and Community Benefit Societies Act 2014 (Registered number 20014R) and is registered under the Housing and Regeneration Act 2008 (Registered number LH3926). It is also affiliated to the National Housing Federation and has charitable status.	

Report of the Board

The board of Directors is pleased to present its report and the audited financial statements for the year ended 31 March 2023.

Transfer of Engagements

On 31 March 2023, Cotman Housing Association Limited, Derwent Housing Association Limited, Derwent Community Housing Association Limited and Chorus Homes Limited transferred its engagements (that is, its assets and liabilities) to Places for People Living+ Limited as permitted by the Co-operative and Community Benefit Societies Act 2014. As part of the transfer, on 31 March 2023 Chorus Homes Group Limited transferred its engagements to Chorus Homes Limited.

In accordance with FRS102, this transaction has been accounted for as a merger under public benefit entity combinations, and so these financial statements are presented as if Places for People Living+ Limited had existed in its current form since the start of the previous reporting period. Further details are provided in note 29.

Nature of the Association

Places for People Living + Limited ("the association") is a not-for-profit Registered Society with charitable status for tax purposes, whose primary business is the provision of housing at affordable rents for those most in need. The association also meets housing and community needs through the supply of shared ownership and leasehold accommodation for sale as well as the development and management of care and support housing activities.

Results

The Association's key performance indicators and principal risks and uncertainties are aligned with those of the ultimate parent undertaking, Places for People Group Limited, and are included in the consolidated Group accounts.

The Association's strategy is aligned to that of the parent company Places for People Group Limited, as such the Financial Viability Statement and Value for Money information appropriate to the Association can be found in the Group financial statements that can be obtained from the Group's registered office at 305 Gray's Inn Road, London, WC1X 8QR.

Review of the year

The turnover for the Association for the year ended 31 March 2023 was £159.7m (2022: £160.1m). Operating costs for the year were £102.7m (2022: £99.0m). The operating margin for the year has decreased to 33.8% (2022: 36.9%).
The Board is pleased to report a net assets position of £539.6m (2022: £506.2m). The Association's available cash balance at 31 March 2023 was £4.2m (2022: £20.9m). The Board considers this balance to be sufficient to cover the short- to medium-term cash requirements of Living+.

Customer Participation

A comprehensive set of structures exists to ensure that there is effective communication between the Association and its customers. Our National Customer Group (NCG) has continued to challenge and scrutinise our operational delivery and in doing so, help influence and strengthen critical issues and policies affecting the customer experience. The NCG's primary remit is to hold our board to account — a challenge our board welcomes — and members are involved in recommending service improvements, highlighting best practice and working with our colleagues to check services meet, and exceed, their priorities.

Over the past year, a Chair of the NCG has been elected and we have established processes and routines that will ensure proactive NCG and board collaboration, all leading to better customer outcomes.

Internal Control

The Group Board has reviewed the effectiveness of the system of internal control for the year ended 31 March 2023 and up to the date of signing these financial statements. It has not identified any weaknesses which resulted in material losses or contingencies or other uncertainties which require disclosure in the financial statements.

Board and Committee Structure

The board of Directors of Places for People Group ("the Group") is responsible for setting strategies and budgets for the whole Group and co-ordinating the Group's activities. Places for People Group Limited exercises control over the Association's parent company, Places for People Living+ Limited through an Independence and Responsibilities Agreement, a Service Level Agreement and powers granted to Places for People Group Limited in its rules.

The Group board has delegated certain matters to committees of the board of Places for People Group.

Corporate Governance

The board has regard to the UKCG code when setting its corporate governance, by which it governs the organisation. In doing so the Board closely follows the principles followed by Group.

Linked to the above, the Association has adhered to these principles except for Code provisions 3, 4, 5 and 18.

Provisions 3, 4, and 18 contemplate dialogue with external shareholders or decisions being referred to shareholders on matters of director appointments, auditor appointments, director remuneration and the use of the AGM to communicate with investors.

The Group has an Audit & Risk Committee, a Remuneration & Nominations Committee, a Development Committee and a Treasury Committee. The remit of those committees extends to the Association and its business. The committees draw members from and report to the Group Board. The Group Board takes direct responsibility for oversight of the Affordable Housing business conducted through the Group's regulated subsidiaries. Group Board members are also appointed members of the board of the Association and have full oversight of the operations of the Association. This further ensures that the provisions of the Code are met in respect of the Association.

Provision 5 states that the board should understand the views of other key stakeholders and describe in the annual report how their interests and the matters set out in section 172 (duty to promote the success of the company) of the Companies Act 2006 (the 2006 Act) have been considered in board discussions and decision-making. The Association is a registered society rather than a company and so the specific reporting requirements under section 172 of the 2006 Act do not apply to it. However, the Association's parent company, Places for People Group Limited, publishes consolidated group accounts which do contain a section 172 statement within its Strategic report. That statement addresses the issue of identification of key stakeholders and engagement with their views across the whole Group including the Association.

Provision 5 also prescribes the options for workforce engagement. The board has concluded that its methods for engagement described in the Group's Annual report are effective and more suited to the Group's overall needs than any of the Code's prescribed mechanisms.

The Group Annual report contains a Governance report that details the governance arrangements of the Group, and how the Code is applied at Group Board level.

Board members consider the report and accounts, taken as a whole, to be fair, balanced and understandable.

Going concern statement

The going concern assessment considers whether it is appropriate to prepare the financial statements on a going concern basis. In line with the majority of businesses within the UK the Group is faced with the need to address the consequences of sequence of severe and ongoing macroeconomic shocks over the past three years, including from Brexit, Covid-19, and resulting from Russia's invasion of Ukraine. High inflation and interest rates, a tight labour market and the residual impact of the pandemic on supply chains have increased costs and impacted incomes. The Groups business planning and the accompanying stress testing process incorporate these challenges, which continue to be monitored on a regular basis.

At 31 March 2023 the Group had cash and undrawn facilities of £806m. The Group continues to actively manage its cash flows in order to mitigate any reductions in income and maintains a policy of having a minimum 18 months' liquidity.

The directors have reviewed the projected cash flows covering a period of 12 months from the date of the approval of the financial statements, which indicate that the Group will be able to operate within the levels of its agreed facilities and the compliance with debt covenants.

Places for People Living+ is part of the Guarantor Group and accesses funding from this Group pool, therefore the liquidity position of the Group supports the going concern assumption for the association.

On the basis described above, the directors are confident that the Group has adequate resources to continue to meet all liabilities, as and when they fall due, for 12 months from the date of approval of the financial statements and therefore consider it appropriate to adopt the going concern basis in preparing the consolidated financial statements.

Viability statement

The Code requires the directors to make a statement with regard to the viability of the Group. This requires consideration of solvency and liquidity over a longer period than the going concern assessment.

The Group's strategic plan covers a 10-year period, over which the directors have made assumptions regarding the Group's revenues, operating costs and cash requirements. The projections for the first three years of the plan are based on current opportunities and include an expectation of the rental incomes for the Group. There is inherently less certainty in the projections from year four to ten.

Consistent with prior years, the directors have therefore determined that three years is an appropriate period for this viability statement.

For the purposes of both Viability and Going Concern, an annual Stress Testing exercise is undertaken as part of the Business Planning process to assess the financial strength and robustness of the Group's plan. Using the ten year business plan, it aims to identify the circumstances which would push the Group to breaking point and the options available to mitigate such circumstances and ensure the Group meets all of its key financial metrics and loan covenants. The tests applied include amongst others, rent restrictions, housing market downturn, high inflation rates and sustained high interest rates. They show that with appropriate mitigations applied, the Group is able to meet all external loan covenants, even in the most extreme circumstances modelled.

The Board continuously monitor changes in internal and external indicators which could suggest that there is an increased risk of the stress test scenarios arising. These "stress test triggers" are an early warning mechanism enabling decisions to be made in relation to the potential deployment of mitigations.

On the basis of these assessments, the Board is confident that the Group will remain financially viable for the three year period covered by this statement and beyond.

Compliance with the Regulator of Social Housing's Governance and Financial Viability Standard

The Association has assessed the position and confirms that it has complied with The Regulator of Social Housing's Governance and Financial Viability Standard.

Statement of Disclosure to the Auditors

At the time of approval of this report:

a) so far as the Board Members are aware, there is no relevant audit information of which the Association's auditor is unaware, and

b) the Board Members have taken all steps that they ought to have taken as Board Members in order to make themselves aware of any relevant audit information and to establish that the Association's auditor is aware of that information.

Statement of Board's responsibilities in respect of the Board's report and the financial statements

The Board is responsible for preparing the Board's Report and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law requires the Board to prepare financial statements for each financial year. Under those regulations the Board have elected to prepare the financial statements in accordance with UK Accounting Standards FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements are required by law to give a true and fair view of the state of affairs of the association and of its income and expenditure for that period.

In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of Accounting unless it either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

The Board is responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the association and enable them to ensure that its financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. It is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the association's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Strategic Report

Places for People Living+ Limited has taken the exemption allowed in the statement of recommended practice for registered social housing providers to not include a strategic report as this is prepared for the Places for People Group and is included in the annual report which is available to the public and may be obtained from Places for People Group Limited, 305 Gray's Inn Road, London, WC1X 8QR.

By order of the Board

Kate Alsop

K Alsop

Secretary **21 September 2023**

Opinion
We have audited the financial statements of Places for People Living+ Limited ("the association") for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Reserves and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the state of affairs of the association as at 31 March 2023 and of its income and expenditure for the year then ended;
- comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- have been prepared in accordance with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis of opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Going concern
The association's Board has prepared the financial statements on the going concern basis as they do not intend to liquidate the association or to cease its operations, and as they have concluded that the association's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Board's conclusions, we considered the inherent risks to the association's business model and analysed how those risks might affect the association's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified and concur with the Board's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the association's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the association will continue in operation.

Fraud and breaches of laws and regulations – ability to detect
To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Association's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Audit and Risk Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet internal performance targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that income from property sales is recorded in the wrong period and the risk that Association management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

Fraud and breaches of laws and regulations – ability to detect continued
In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of some of the Association-wide fraud risk management controls.
We also performed procedures including:

Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by unexpected individuals, journals posted to seldom used accounts, and journals posted to cash and turnover that were considered outside of the normal course of business.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Association is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of noncompliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the association is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related Co-operative and Community Benefit Societies Act), taxation legislation and disclosures required by Housing legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the association is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws and certain aspects of housing legislation recognizing the financial and regulated nature of the Association's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Other information
The association's Board is responsible for the other information, which comprises the Board's Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Matters on which we are required to report by exception
Under the Co-operative and Community Benefit Societies Act 2014 we are required to report to you if, in our opinion:

- the association has not kept proper books of account; or
- a satisfactory system of control over transactions has not been maintained; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Board's responsibilities
As more fully explained in their statement set out on page 5, the association's Board is responsible for the preparation of financial statements which give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Association, and its sector, we identified that the principal risks of non-compliance with laws and regulations related to employment laws, pension legislation, health and safety regulations, anti-bribery, corruption, fraud, money laundering, Homes England requirements and Regulator of Social Housing requirements and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Co-operative and Community Benefit Societies Act 2014, Housing and Regeneration Act 2008, and the Accounting Direction for private registered providers of social housing 2022.

We evaluated the Board's and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to capitalisation of development expenditure and works to existing properties, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Board and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Association which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Board and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Use of the audit report
This report is made solely to the association in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the association those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association, for our audit work, for this report, or for the opinions we have formed.

Elizabeth Newell BA (Hons) FCA (Senior Statutory Auditor)
For and on behalf of MHA, Statutory Auditor
Milton Keynes, United Kingdom

Date : 27 September 2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

Places for People Living+ Limited
Statement of Comprehensive Income
For the year ending 31 March 2023

	Notes	2023 £'000	Combined 2022 £'000
Turnover	2	**159,736**	160,081
Cost of sales	2	**(3,042)**	(2,041)
Operating costs	2	**(102,718)**	(98,999)
Surplus on sale of fixed assets	4	**4,131**	5,263
(Loss)/gain on revaluation of investment properties	13	**(5,555)**	1,272
Operating profit before interest		**52,552**	65,576
Net interest receivable and payable	7/8	**21,623**	(27,092)
Profit on ordinary activities before taxation		**74,175**	38,484
Taxation	10	**1**	(3,210)
Profit on ordinary activities after taxation		**74,176**	35,274
Actuarial gain/(loss) recognised in the pension scheme	23	**(3,193)**	7,821
Deferred tax arising on pension scheme	10	**(365)**	(756)
Total comprehensive income for the year		**70,618**	42,339

The notes on pages 14 to 38 form an integral part of these financial statements.

The financial statements on pages 10 to 38 were approved by the Board on 21 September 2023, and signed on its behalf by:

R Gregory	**G Reed**	**K Alsop**
Chair	**Board Member**	**Secretary**

Places for People Living+ Limited

Statement of Financial Position

As at 31 March 2023

	Notes	**2023**		Combined 2022	
Fixed assets		**£'000**	**£'000**	£'000	£'000
Housing properties	11		**1,409,081**		1,416,913
Other fixed assets	12		**8,129**		3,379
Fixed asset investments	13		**149,959**		171,396
Homebuy fixed asset investment	14		**120**		118
			1,567,289		1,591,806
Non-current assets					
Debtors: amounts falling due after more than one year	16	**167**		54,564	
			167		54,564
Current assets					
Short term investments	18	**2,613**		2,978	
Stock	15	**946**		1,840	
Debtors: amounts falling due within one year	17	**19,359**		10,395	
Cash at bank and in hand		**4,255**		20,929	
		27,173		36,142	
Creditors: amounts falling due within one year	19	**(47,424)**		(178,443)	
Provision for liabilities and charges	22	**-**		(3,533)	
Net current liabilities			**(20,251)**		(145,834)
Creditors: amounts falling due after more than one year	20	**(1,002,461)**		(987,060)	
Pension liability	23	**(5,160)**		(7,282)	
			(1,007,621)		(994,342)
Net assets			**539,583**		506,194
Capital and reserves					
Non-equity share capital	24		**1**		1
Revenue reserves			**353,586**		319,247
Restricted reserves			**195**		195
Revaluation reserves			**185,801**		186,751
Total capital and reserves			**539,583**		506,194

The notes on pages 14 to 38 form an integral part of these financial statements.

The financial statements on pages 10 to 38 were approved by the Board on 21 September 2023, and signed on its behalf by:

R Gregory
Chair

G Reed
Board Member

K Alsop
Secretary

Places for People Living+ Limited

Statement of Changes in Reserves

For the year ending 31 March 2023

	Non-equity share capital £'000	Revenue Reserve £'000	Restricted Reserve £'000	Revaluation Reserve £'000	Total Reserves £'000
Balance at 1 April 2022 (combined)	1	319,247	195	186,751	**506,194**
Profit for the year	-	74,176	-	-	74,176
Restricted reserve movement	-	-	-	-	-
Transfer from revaluation reserve to revenue reserves	-	950	-	(950)	-
Actuarial loss recognised in the pension scheme	-	(3,193)	-	-	(3,193)
Deferred tax arising on pension scheme	-	(365)	-	-	(365)
Loan forgiveness to related undertaking	-	(37,229)	-	-	(37,229)
Balance at 31 March 2023	**1**	**353,586**	**195**	**185,801**	**539,583**

The notes on pages 14 to 38 form an integral part of these financial statements.

Places for People Living+ Limited

Statement of Cash Flows

For the year ending 31 March 2023

		Combined
	2023	2022
	£'000	£'000
Net cash flow from operating activities (see note a)	**51,750**	63,329
Cash flow from investing activities		
Purchase of housing and investment properties	**(51,679)**	(53,110)
Proceeds from the disposal of housing and investment properties	**64,866**	12,388
Purchase of other fixed assets	**(4,993)**	-
Proceeds from the disposal of fixed and current asset investments	**335**	13,200
Receipt/(repayment) of government and other grants	**(6,156)**	3,523
Interest received	**463**	17
Net cash flow from investing activities	**2,836**	(23,982)
Cash flow from financing activities		
Interest element of finance lease rental payment	**(2,701)**	(2,726)
Capital element of finance lease rental payment	**(953)**	(925)
Interest paid	**(33,519)**	(31,556)
Settlement of financial instruments	**216**	(1,449)
Drawdown of loans in the year	**16,347**	21,295
Repayment of loans and debentures in the year	**(50,650)**	(19,690)
Net cash flow from financing activities	**(71,260)**	(35,051)
Net change in cash and cash equivalents	**(16,674)**	4,296
Cash and cash equivalents at beginning of year	**20,929**	16,633
Cash and cash equivalents at end of the year	**4,255**	20,929
Surplus for the year	**74,176**	35,274
Adjustments for non-cash items to reconcile surplus for the year to net cash generated from operating activities		
Depreciation and impairment of tangible fixed assets	**16,817**	11,665
Amortisation of grants	**(4,548)**	(4,642)
Appreciation of fixed asset investments	**(2)**	(5)
(Gain)/loss on revaluation of investment properties	**5,555**	(1,272)
Decrease/(increase) in stock	**2,543**	(733)
(Decrease)/increase in trade and other debtors	**(2,230)**	1,030
Increase/(decrease) in trade and other creditors	**(9,491)**	(2,221)
Surplus on tangible fixed asset disposals	**(4,131)**	(5,263)
Pension adjustment	**(801)**	(806)
Taxation	**(1)**	3,210
Interest payable	**(21,098)**	27,222
Interest receivable	**(525)**	(130)
Pension cessation	**(4,514)**	-
Cash flow from operating activities	**51,750**	63,329

1. PRINCIPAL ACCOUNTING POLICIES

Basis of accounting

A summary of the principal accounting policies, which have been applied consistently, is set out below.

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), the Statement of Recommended Practice for Registered Social Housing Providers 2022 (SORP) and the Accounting Direction for Private Registered Providers of Social Housing 2019. The Association is registered under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator Social Housing (ROSH) as a housing provider.

The Association's ultimate parent undertaking, Places for People Group Limited, includes the Association in its consolidated financial statements. The consolidated financial statements of Places for People Group Limited are prepared in accordance with FRS 102 and are available to the public and may be obtained from Places for People Group Limited, 305 Gray's Inn Road, London, WC1X 8QR. The Association is considered to be a qualifying entity for the purposes of FRS 102 and has applied the exemptions available under FRS 102.1.11 and FRS 102.1.12 (preparation of a statement of cash flows and related notes).

The financial statements are presented in Sterling (£000's).

Going Concern

The going concern assessment considers whether it is appropriate to prepare the financial statements on a going concern basis. In line with the majority of businesses within the UK the Group is faced with the need to address the consequences of sequence of severe and ongoing macroeconomic shocks over the past three years, including from Brexit, Covid-19, and resulting from Russia’s invasion of Ukraine. High inflation and interest rates, a tight labour market and the residual impact of the pandemic on supply chains have increased costs and impacted incomes. The Groups business planning and the accompanying stress testing process incorporate these challenges, which continue to be monitored on a regular basis.

At 31 March 2023 the Group had cash and undrawn facilities of £806m. The Group continues to actively manage its cash flows in order to mitigate any reductions in income and maintains a policy of having a minimum 18 months’ liquidity.

The directors have reviewed the projected cash flows covering a period of 12 months from the date of the approval of the financial statements, which indicate that the Group will be able to operate within the levels of its agreed facilities and the compliance with debt covenants.

Places for People Living+ is part of the Guarantor Group and accesses funding from this Group pool, therefore the liquidity position of the Group supports the going concern assumption for the association.

On the basis described above, the directors are confident that the Group has adequate resources to continue to meet all liabilities, as and when they fall due, for 12 months from the date of approval of the financial statements and therefore consider it appropriate to adopt the going concern basis in preparing the consolidated financial statements.

Pubic Benefit Entity Combination

On 31 March 2023, Cotman Housing Association Limited, Derwent Housing Association Limited, Derwent Community Housing Association Limited and Chorus Homes Limited transferred its engagements (that is, its assets and liabilities) to Places for People Living+ Limited as permitted by the Co-operative and Community Benefit Societies Act 2014. As part of the transfer, on 31 March 2023 Chorus Homes Group Limited transferred its engagements to Chorus Homes Limited.

In accordance with FRS102, this transaction has been accounted for as a merger under public benefit entity combinations, and so these financial statements are presented as if Places for People Living+ Limited had existed in its current form since the start of the previous reporting period. Further details are provided in note 29.

Significant Judgements

The following are the significant judgements, apart from those involving estimations (which are set out separately below), that have been made in the process of applying the entity’s accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Going Concern

In order to assess whether it is appropriate for the Association to be reported as a going concern, the management apply judgement, having undertaken appropriate enquiries and having considered the business activities and the principal risks and uncertainties. In arriving at this judgement there are a large number of assumptions and estimates involved in calculating future cash flow projections. This includes management's expectations of both property sales and rental turnover, operating costs, timing and quantum of future capital expenditure and estimates and cost of future funding. The Directors have overlaid several severe but plausible, multi-variant scenarios, in respect of these assumptions used within the going concern assessment and to aid sensitivity analysis. As a result of these considerations the financial statements have been prepared on a going concern basis.

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

Investment properties

The Association owns a range of different property types. This requires the Association to assess which properties should be classified as investment properties as these properties are held at a market valuation, not at depreciated cost.

The Association considered the FRS 102 definition of investment property which refers to property held to earn rentals for capital appreciation, rather than for administrative purposes or for sale in the ordinary course of business. The Association has also reviewed Section 16 of FRS 102 that precludes the classification of property held primarily for the provision of social benefits being classified as investment property. The Association has applied this by judging that rental properties without public subsidy attached to them are investment properties.

Lease classification

During the year ending 31 March 2019, the Association purchased the freeholds of a number of properties and assessed that the arrangement should be classified as a finance lease. The Group considered the requirements of FRS 102 Section 20 which requires that, if a lease substantially transfers all the risks and rewards of ownership, it should be treated as a finance lease. It was determined that because the Group will retain ownership of the properties at the end of the 45 year lease period, alongside holding the risks and rewards of owning and managing the properties during this period, the Group substantially holds the risks and rewards of ownership.

Accounting estimates

The nature of estimation means that actual outcomes may differ from the estimates made.

Residual value of social housing properties

It is considered that the estimate of residual value of social housing properties has a significant impact on the carrying amount of social housing assets. The Association considers the residual value of social housing property structure to be cost. The net book value of completed social housing properties is £2.4bn. The residual value of social housing property structure is £59.5m above the carrying value as at 31 March 2023.

Defined benefit pension schemes

The Association has defined benefit obligations relating to one pension scheme. Note 23 sets out the details for these schemes and the assumptions made to assess the net scheme benefit as at the reporting date. The Association engages qualified actuaries to advise on an appropriate discount rate. A decrease in the discount rate used of 0.1% is estimated to reduce scheme total deficits by £357k. The Association is party to legal action arising from the scheme rules on the Social Housing pension scheme. More detail can be found in note 23.

Investment properties

In addition to judging whether or not properties are categorised as investment properties, the Association is also required to estimate the fair value of investment properties on an annual basis. A full valuation was carried out in line with the principles of RICS guidance and the Red Book. The results of the valuation exercise have been subjected to management scrutiny and challenge.

Recoverability of Stock

The Association has £0.4m of completed property stock and £0.5m of work in progress at 31 March 2023 (2022: £1.8m completed property stock). FRS 102 section 13 requires stock to be measured at the lower of cost and estimated selling price less costs to complete and sell. The Association also undertakes sensitivity analysis and has assessed that a short-term drop in expected selling prices of our completed properties of 10% would not result in a material impairment charge.

The Association monitors development projects and properties held for sale on an ongoing basis and uses rigorous appraisal techniques to estimate the recoverable amount of stock. Realistic financial projections are used on an individual site basis to allow management to estimate that land and property are held at the appropriate amount. The Association makes judgements to assess the achievable selling price for properties including assessing the views of specialist advisers on the UK housing market and future house price inflation. Management also consider detailed information relating to geographical area and property type. As such the Association judges that stock is held at the lower of cost and estimated selling price less costs to complete and sell.

Turnover

Turnover represents rental and service charge income receivable (net of void losses), income from the sale of properties, income from the sale of the first tranche of shared ownership properties, fees and revenue grants from local authorities and Homes England, equity loan fee income and other income.

Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities.

Rental income is recognised from the point the property becomes available for letting, net of any voids. Income from land and property sales is recognised when the risks and rewards of ownership have passed to the purchaser. Long term contract revenue is recognised based on the total contract value and the stage of completion of the contract. Mortgage fee income is recognised over the term of the contract. Other income is recognised upon the delivery of services. Government grant is recognised in turnover over the expected lives of the assets to which it relates.

All turnover arises from activities within the United Kingdom.

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

Housing Properties

Housing properties are those held primarily for the provision of social benefits. Housing properties are stated at the lower of depreciated cost or its recoverable amount. Cost is taken as the purchase price together with costs of acquisition and improvements, attributable administrative costs and interest costs incurred, including related development and administrative costs and interest payable.

The Association capitalises expenditure on housing properties which results in an increase in either the existing use value of the property or the disposal value of the property.

Land

Land is stated at lower of cost or its recoverable amount. Land purchased for the development of properties which are planned to be subsequently owned and managed by the Association is recorded in housing properties. Land purchased for the development of properties to be sold is held within stock in current assets.

Depreciation

Fixed assets, other than freehold land and investment properties, are depreciated at rates calculated to reduce the net book value of each component element to its estimated residual value, on a straight line basis over the expected remaining useful economic life of the component. Freehold land is not depreciated. The estimated lives of assets and components is as shown in the table below.

The actual lives of the assets and residual values, including the structure of the buildings, are assessed annually. Assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Assets	Depreciation period (years)
Rented housing & commercial properties:	
Kitchens	20
Bathrooms	20
Boilers	15
External windows & doors	30
Roofs	45
Fire safety systems	20
Fencing	30
Digital TV aerials	10
Lifts	20
Social Alarms	From 20-40
Surveys	15
Initial and replacement scheme assets	From 1 to 5
Other elements (new build)	100-125
Other elements (rehab)	80
Other elements (leasehold)	Lesser of term of lease or 100 years
Shared Ownership housing:	
All elements (new build)	100
All elements (rehab)	80
All elements (leasehold)	Lesser of term of lease or 100 years
Other fixed assets:	
Offices (new build)	100
Offices (rehab)	80
Office refurbishment	From 10-20
Offices (long leasehold)	Lesser of term of lease or 100 years
Offices (short leasehold)	Terms of lease
Plant & Equipment	5
Cars and commercial vehicles	5
Computer hardware, software and infrastructure	From 3-15

Investment properties

Properties held for rental income or capital appreciation that are not held primarily for the provision of social benefit are held as investment properties at fair value, with changes to fair value recognised in the statement of comprehensive income.

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

Corporation tax

The Association has charitable status for tax purposes and in the normal course of events would not be liable to pay corporation tax on profits. However, due to the Transfer of Engagements that completed on 31 March 2023 and the use of merger accounting, its financial statements include corporation tax expenses and balances in respect of entities that did not have charitable status and prior to the Transfer of Engagements were liable to pay corporation tax.

VAT

The majority of the Association's turnover is exempt from VAT. However, certain activities are subject to VAT and give rise to VAT recovery. Where appropriate, costs are stated including irrecoverable VAT.

Other fixed assets

Other fixed assets are recognised initially at cost and subsequently held at the lower of depreciated cost or its recoverable amount.

Fixed asset investments

Fixed asset investments are measured at cost. An annual review is carried out by management to assess if there are any triggers that would lead to an impairment review. In the event of any impairment, the investment is measured at the lower of its recoverable amount or its value in use.

Impairment

An impairment review is undertaken when there is an indication the asset may be impaired. If assets are found to be impaired, the amount of impairment is disclosed in Note 3.

When undertaking impairment reviews to assess whether assets or cash generating units are held at the lower of cost or recoverable amount, recoverable amount is defined as its value in use. Recoverable amount is normally assessed using discounted cash flow techniques for all anticipated cash flows to generate a net present value.

Costs are assigned to all schemes on a detailed basis, including mixed tenure schemes.

The Association defines cash generating units as housing schemes except where its schemes are not sufficiently large enough in size and it is more appropriate to consider individual assets. This approach supports effective appraisal of housing schemes as it aligns with the management and operation of the business.

Pensions

There are three pension schemes, two of which are defined benefit pension schemes based on final pensionable salary. Details of the schemes are set out in Note 23.

Employees joining the Association have the option of joining the Places for People Group Stakeholder Scheme ('Stakeholder Scheme'), a defined contribution scheme. The costs of contributing to the Stakeholder Scheme are accounted for as an expense in the year in which they occur. Contributions from the Association and participating employees are paid into independently administered funds. These payments are made in accordance with triennial calculations by professionally qualified independent actuaries.

Pension scheme assets are measured by independent experts using market values. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

Pension scheme deficits are recognised in full. The movement in scheme deficit is split between operating charges, finance costs and, in other comprehensive income, actuarial gains and losses.

The Association participates in the Social Housing Pension Scheme (SHPS), a multi-employer defined benefit scheme. The in-year movement in the scheme deficit is split between operating charges, finance costs and, in other comprehensive income, actuarial gains and losses.

Financial Instruments

The Association has elected to apply the recognition and measurement provisions of International Accounting Standard 39 as allowed by FRS 102 sections 11 and 12. Financial instruments are initially recorded at fair value. Subsequent measurement depends on the designation of the instrument as follows:

- Other assets, including trade investments and joint venture investments and assets that are short-term in nature such as cash and receivables are predominantly categorised as loans and receivables and measured at amortised cost using the effective interest method
- Financial liabilities are predominantly measured at amortised cost using the effective interest method.

The effective interest rate includes interest and all directly attributable incremental fees and costs.

Cash at bank and in hand in the statement of financial position comprises all cash and cash equivalents that mature or are convertible within one day or less.

The Association is required to set aside sums in respect of future maintenance of certain properties subject to leasehold arrangements. These sums are held in a separate bank account to which interest is added and tax deducted. Amounts accumulated in the fund are included within current asset investments and within creditors in the statement of financial position.

Other debtors, including tenant arrears, and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income.

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

Social Housing Grant and Other Capital Grant

Government grants are included within creditors in the statement of financial position and credited to the statement of comprehensive income over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred.

When Social Housing Grant (SHG) in respect of housing properties in the course of construction exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

Where SHG or other grants are retained following the disposal of property, it is shown under the Recycled Capital Grant Funds within creditors. These funds will be used for the provision of new social housing for rent and sale and become repayable if unutilised.

Foreign Currency

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transactions or if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the statement of financial position date and gains or losses on translation are included in the statement of comprehensive income.

Leases

The Association classifies finance leases as those where the risk and reward of ownership of the leased asset has transferred to the Group. Other leases are classified as operating leases. Assets obtained under finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their economic useful lives. Obligations under finance leases are included in creditors net of the finance charge allocated to future periods. The finance element of the rental is charged to the statement of comprehensive income using the effective interest rate method. Costs in respect of operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term. Income in respect of operating leases where the Group is the lessor is recognised in the statement of comprehensive income on a straight line basis over the lease term, reduced by the cost of any lease incentives.

Provisions

A provision is recognised where a present obligation has arisen as a result of a past event for which settlement is probable and can be reliably estimated. The amount recognised is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate, and the subsequent unwinding of the discount is recognised as a finance cost.

Borrowing costs

General and specific borrowing costs directly attributable to the acquisition and construction of qualifying properties are added to the cost of those properties until such a time as the properties are ready for their intended use.

Restricted Reserves

The Association has a reserve which is only expendable in accordance with the wishes of the funder. The transfers to/from restricted reserves are shown in other comprehensive income.

Stock

Properties purchased for improvement for sale are treated as current assets and all other housing properties are treated as tangible fixed assets. Properties held as current assets are stated at the lower of cost and estimated selling price less costs to complete and sell.

Stock includes land and property held with the intention to sell, including assets under construction and those purchased for improvement prior to sale. Stock is stated at the lower of cost and estimated selling price less costs to complete and sell with any provisions being charged to cost of sales. The cost of stock is the purchase price together with costs of acquisition and attributable overhead costs.

All land and property held within stock is subject to regular appraisal to confirm the assets are recoverable at least at the carrying value.

Included within stock are amounts in respect of the expected percentage of sales under first tranche disposal for shared ownership properties. Proceeds from first tranche disposals are recognised in turnover. The unsold equity of shared ownership properties is recognised within housing properties.

2. TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS

	2023					Combined 2022				
	Turnover	**Cost of sales**	**Operating costs**	**Other operating items**	**Operating surplus/ (deficit)**	Turnover	Cost of sales	Operating costs	Other operating items	Operating surplus/ (deficit)
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	£'000	£'000	£'000	£'000	£'000
Social housing lettings (note 3)	**138,658**	**-**	**(85,165)**	**-**	**53,493**	133,876	-	(78,960)	-	54,916
Social housing property sales	**-**	**-**	**(2)**	**-**	**(2)**	-	-	-	-	-
Shared Ownership property sales	**3,354**	**(2,806)**	**(90)**	**-**	**458**	2,046	(1,398)	(232)	-	416
Charges for support services	**2,959**	**-**	**(2,419)**	**-**	**540**	2,893	-	(2,493)	-	400
	144,971	**(2,806)**	**(87,676)**	**-**	**54,489**	138,815	(1,398)	(81,685)	**-**	55,732
Non-social housing activities										
Non social housing property sales	**220**	**(236)**	**(44)**	**-**	**(60)**	1,495	(643)	(153)	-	699
Non social housing lettings	**13,704**	**-**	**(12,361)**	**-**	**1,343**	16,297	-	(14,116)	-	2,181
Other	**841**	**-**	**(7,151)**	**-**	**(6,310)**	3,474	-	(3,045)	-	429
Cessation of defined benefit pension scheme	**-**	**-**	**4,514**	**-**	**4,514**	-	-	-	-	-
	159,736	**(3,042)**	**(102,718)**	**-**	**53,976**	160,081	(2,041)	(98,999)	-	59,041
(Loss)/gain on revaluation of investment properties	-	-	-	**(5,555)**	**(5,555)**	-	-	-	1,272	1,272
Profit on sale of fixed assets	-	-	-	**4,131**	**4,131**	-	-	-	5,263	5,263
	159,736	**(3,042)**	**(102,718)**	**(1,424)**	**52,552**	160,081	(2,041)	(98,999)	6,535	65,576

3. INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	2023					Combined 2022
	General needs housing	**Supported housing & housing for older people**	**Low cost home ownership**	**Other**	**Total**	Total
	£'000	**£'000**	**£'000**	**£'000**		£'000
Income						
Rents Receivable net of identifiable service charges	**73,152**	**26,004**	**4,498**	**5,238**	**108,892**	102,994
Service charge income	**2,287**	**14,604**	**1,476**	**3**	**18,370**	19,140
Amortised government grants	**2,573**	**1,157**	**767**	**51**	**4,548**	4,642
Revenue Guarantee	**-**	**-**	**-**	**-**	**-**	31
Other Income	**3,417**	**3,165**	**210**	**56**	**6,848**	7,069
Turnover from social housing lettings	**81,429**	**44,930**	**6,951**	**5,348**	**138,658**	133,876
Expenditure on social housing lettings activities						
Management Costs	**(12,014)**	**(5,140)**	**(1,201)**	**(1,336)**	**(19,691)**	(24,160)
Service Costs	**(3,725)**	**(14,473)**	**(1,196)**	**(1,159)**	**(20,553)**	(17,495)
Routine Maintenance	**(10,824)**	**(4,072)**	**(240)**	**(615)**	**(15,751)**	(14,141)
Planned Maintenance	**(3,456)**	**(1,445)**	**(267)**	**(190)**	**(5,358)**	(4,775)
Major Repairs	**(730)**	**(308)**	**(571)**	**(40)**	**(1,649)**	(805)
Bad Debts	**356**	**(236)**	**168**	**17**	**305**	(402)
Depreciation of housing assets	**(8,356)**	**(2,817)**	**(109)**	**(692)**	**(11,974)**	(11,065)
Impairment of housing assets	**(3,563)**	**-**	**(704)**	**-**	**(4,267)**	-
Intercompany Property Recharges	**(4,096)**	**(1,877)**	**(236)**	**(4)**	**(6,213)**	(6,114)
Other Costs	**(4)**	**(6)**	**-**	**(4)**	**(14)**	(3)
Operating costs on social housing lettings	**(46,412)**	**(30,374)**	**(4,356)**	**(4,023)**	**(85,165)**	(78,960)
Operating surplus on social housing lettings	**35,017**	**14,556**	**2,595**	**1,325**	**53,493**	54,916
Void Losses	**(859)**	**(1,550)**	**(6)**	**(134)**	**(2,549)**	(2,452)

4. SALE OF FIXED ASSETS

	2023			
	Sale proceeds	**Cost of Sales**	**Other sales expenses**	**Surplus**
	£'000	**£'000**	**£'000**	**£'000**
Sale of housing assets	**36,566**	**(31,577)**	**(970)**	**4,019**
Sale of fixed asset investment properties	**28,300**	**(27,699)**	**(489)**	**112**
	64,866	**(59,276)**	**(1,459)**	**4,131**

	Combined 2022			
	Sale proceeds	Cost of Sales	Other sales expenses	Surplus
	£'000	£'000	£'000	£'000
Sale of housing assets	12,388	(6,762)	(363)	5,263
	12,388	(6,762)	(363)	5,263

5. DIRECTORS EMOLUMENTS

The ultimate parent, Places for People Group Limited (the Group), has determined that subsidiary governance is achieved through functional management arrangements.

The Group has created posts for functional managers, whose responsibilities may cover more than one Group member.

Board Members' emoluments during the year were met by Places for People Group Limited.

Included within operating costs is a share of the salary costs of the Board Members.

6. EMPLOYEE INFORMATION

		Combined
The average number of employees expressed as full time equivalents employed during the year was:	**2023**	2022
	No.	No.
Managing Housing services	**115**	145
Central administration services	**73**	104
Care services	**238**	254
	426	503

Average number of employees is calculated by ascertaining for each calendar month in the financial year, the number of persons, by category, employed by the company. The monthly numbers are then added together and divided by the number of months in the financial year.

		Combined
	2023	2022
	£'000	£'000
Staff costs (for the above persons):		
Wages and salaries	**12,584**	13,945
Severance pay	**132**	167
Social security costs	**1,210**	1,261
Other pension costs	**1,017**	1,116
	14,943	16,489

Remuneration banding for key management personnel is disclosed below, which is considered by the Places for People Group to be Executive Directors and members of the Places for People Living+ management team, which includes staff with authority and responsibility for planning, directing and controlling activities of the Places for People Living+ operations.

		Combined
	2023	2022
	No.	No.
£60,000 - £69,999	**-**	2
£70,000 - £79,999	**1**	2
£80,000 - £89,999	**4**	2
£90,000 - £99,999	**-**	1
£100,000 - £109,999	**1**	-
£110,000 - £119,999	**2**	1
£130,000 - £139,999	**-**	1
£160,000 - £169,999	**1**	-

7. INTEREST RECEIVABLE AND SIMILAR INCOME

		Combined
	2023	2022
	£'000	£'000
Interest receivable on loans to related undertakings	**470**	112
Interest on fixed asset investments	**-**	18
Other interest receivable	**55**	-
	525	130

8. INTEREST PAYABLE AND SIMILAR CHARGES

		Combined
	2023	2022
On financial liabilities not at fair value through income and expense:	**£'000**	£'000
In respect of housing and bank loans	**15,910**	14,531
Finance charges on hire purchase or lease agreements	**(3,335)**	2,726
In respect of loans from related undertakings	**12,000**	10,089
In respect of Recycled Capital Grant Fund	**120**	11
	24,695	27,357
On defined benefit pension schemes:		
Expected return on pension assets	**(786)**	(1,150)
Interest on pension scheme liabilities	**851**	1,463
	65	313
Gain on debt breakage	**(45,168)**	-
Less: Capitalised interest	**(690)**	(448)
	(21,098)	27,222
Capitalisation rate used to determine the finance costs capitalised during the year:	**5.03%**	3.53%
Total net interest receivable and payable (note 7 & 8)	**21,623**	(27,092)

On 13 October 2022 the association broke the embedded fixed rate within a £100m long-dated legacy secured loan. The association held a provision against the cost of this loan which resulted in a gain on breakage of £45.2m.

9. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

		Combined
	2023	2022
Surplus on ordinary activities before taxation is stated after charging:	**£'000**	£'000
Depreciation and impairment:		
Tangible fixed assets	**16,817**	11,665
Payments under operating leases:		
Housing properties	**2,173**	1,989
Motor vehicles	**72**	84

Auditor's remuneration in relation to audit services in the year was £168,000 (2022: £125,850).

10. TAXATION

	2023	Combined 2022
(a) Analysis of charge in period	**£'000**	£'000
Tax on profit on ordinary activities		
United Kingdom corporation tax	**3,999**	339
Adjustments to tax charge in respect of prior periods	**(102)**	395
	3,897	734
Deferred tax (note 10e)		
Origination and reversal of timing differences	**(4,052)**	2,372
Adjustments to deferred tax in respect of prior periods	**154**	7
Effect of tax rate change on opening balance	**-**	97
	(3,898)	2,476
Total tax charge	**(1)**	3,210
(b)Tax expense included in other comprehensive income		
Deferred Tax		
Origination and reversal of timing differences	**365**	756

(c) Factors affecting tax charge for period

The tax assessed is different than the standard rate of corporation tax in the UK of 19% (2022: 19%).

The differences are explained below:

	2023	2022
Profit on ordinary activities before tax	**74,175**	38,484
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2022: 19%)	**14,093**	7,312
Fixed asset differences	**391**	366
Expenses not deductible/(income not taxable)	**(10,835)**	(6,557)
Adjustments to brought forward values	**(418)**	-
Chargeable gains	**1,235**	185
Rate difference	**-**	848
Movement in unrecognised deferred tax	**(4,153)**	-
Adjustments to tax charge in respect of prior periods	**52**	401
Other movements	**-**	655
Tax on profit on ordinary activities (note 10a)	**365**	3,210

(d) Factors that may affect future tax charges

The main rate of corporation tax will be increased from 19% to 25% (effective 1 April 2023). This change will increase the association's future current tax charge accordingly. As this change in corporation tax rate has been substantively enacted at the Balance Sheet date, deferred tax has been calculated using the increased rate of 25% due to the expected reversal of the deferred tax asset/liability.

(e) Provision for deferred tax

	2023	2022
Accelerated capital allowances	**-**	4,845
Other short-term timing differences	**-**	(3,643)
Other timing differences	**-**	2,696
Pension through other comprehensive income	**-**	(365)
	-	3,533
Provision/(debtor) at 1 April	**3,533**	301
Expense in the year in statement of comprehensive income	**(3,533)**	2,476
Expense in the year in statement of comprehensive income in other comprehensive income	**-**	756
(Debtor)/provision at 31 March at 19% (2022: 19%)	**-**	3,533

11. HOUSING PROPERTIES

	Housing properties and land	Completed LSE & Shared Ownership housing properties	Housing properties in the course of construction	LSE & Shared Ownership properties in the course of construction	Total housing properties
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Cost					
At 1 April 2022 (combined)	1,495,140	84,102	8,770	677	**1,588,689**
Reclassification of opening balances	906	-	(906)	-	**-**
Additions	-	-	21,584	947	**22,531**
Major works additions	18,044	-	-	-	**18,044**
Change of tenure	(40)	(1,335)	(37)	(229)	**(1,641)**
Transfer to completed schemes	4,582	241	(4,582)	(241)	**-**
Transfer to sales account on disposal	(30,949)	(2,155)	-	-	**(33,104)**
At 31 March 2023	**1,487,683**	**80,853**	**24,829**	**1,154**	**1,594,519**
Depreciation and impairment					
At 1 April 2022 (combined)	(168,688)	(3,088)	-	-	**(171,776)**
Charge for year:					
Depreciation	(12,304)	(3)	-	-	**(12,307)**
Impairment	(3,563)	(704)	-	-	**(4,267)**
Change of tenure:					
Depreciation	8	(8)	-	-	**-**
Eliminated on disposal:					
Depreciation	2,811	101	-	-	**2,912**
At 31 March 2023	**(181,736)**	**(3,702)**	**-**	**-**	**(185,438)**
Net book value at 31 March 2023	**1,305,947**	**77,151**	**24,829**	**1,154**	**1,409,081**
Net book value at 1 April 2022 (combined)	1,326,452	81,014	8,770	677	1,416,913

All properties included within the above note are freehold.

Additions to housing properties in the course of construction during the year include an apportionment of staff time directly spent on the administration of development activities amounting to £0.5m (2022: £0.3m).

Expenditure on major works to existing properties during the year was £18.0m (2022: £18.4m).

12. OTHER FIXED ASSETS

	Vehicles	Plant & Specialist Equipment	Computer equipment	Freehold	Fixtures & Fittings	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 April 2022 (combined)	1,111	51	4,487	3,882	1,099	**10,630**
Additions	-	-	-	4,993	-	**4,993**
Disposals	(165)	(43)	(4,040)	-	(84)	**(4,332)**
At 31 March 2023	**946**	**8**	**447**	**8,875**	**1,015**	**11,291**
Depreciation						
At 1 April 2022 (combined)	(1,111)	(45)	(4,254)	(901)	(940)	**(7,251)**
Charge for year	-	(2)	(167)	(35)	(39)	**(243)**
Eliminated on disposal	165	43	4,040	-	84	**4,332**
At 31 March 2023	**(946)**	**(4)**	**(381)**	**(936)**	**(895)**	**(3,162)**
Net book value at 31 March 2023	**-**	**4**	**66**	**7,939**	**120**	**8,129**
Net book value at 1 April 2022 (combined)	-	6	233	2,981	159	3,379

13. FIXED ASSET INVESTMENTS

	2023	Combined 2022
	£'000	£'000
External investments and investment in related undertakings (a)	**7,291**	7,260
Investment property (b)	**142,668**	164,136
Total fixed asset investments	**149,959**	171,396

(a) External investments and investment in related undertakings	2023	Combined 2022
	£'000	£'000
Equity investments in related undertakings	**5,085**	5,085
External investments	**168**	198
Amounts due from related undertakings	**2,038**	1,977
	7,291	7,260
External investments		
Grace Gillett restricted reserve - investment portfolio	**168**	198
Investments in related undertakings		
Centro Place Management Limited	**85**	85
Centro Place Investments Limited	**5,000**	5,000
	5,085	5,085
Amounts due from related undertakings		
Centro Place Investments Limited	**2,038**	1,977

	2023
(b) Investment properties	**£'000**
At 1 April 2022 (combined)	**164,136**
Additions	**11,794**
Change of tenure	**(8)**
Revaluation	**(5,555)**
Disposals	**(27,699)**
At 31 March 2023	**142,668**

14. HOMEBUY FIXED ASSET INVESTMENTS

	2023	Combined 2022
Gross valuation	**£'000**	£'000
At 1 April	**118**	187
Net appreciation in year	**2**	5
Disposals in year	**-**	(74)
31 March	**120**	118

15. STOCK

	2023	Combined 2022
	£'000	£'000
Buildings - Completed	**417**	1,840
Buildings - In Progress	**529**	-
	946	1,840

16. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	Combined 2022
	£'000	£'000
Amounts due from related undertakings	**-**	54,232
Accrued income	**167**	332
	167	54,564

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	Combined 2022
	£'000	£'000
Rental debtors	**9,152**	6,229
Less: provision for bad and doubtful debts	**(1,229)**	(1,150)
	7,923	5,079
Amounts due from related undertakings	**1,515**	-
Prepayments and other debtors	**338**	3,549
Trade debtors	**5,024**	1,714
Capital debtors	**4,559**	53
	19,359	10,395

18. SHORT TERM INVESTMENTS

	2023	Combined 2022
	£'000	£'000
Cash held as security	**2,613**	2,978

The cash held as security relates to cash deposits held as security against a loan in Chorus Homes Finance Limited, a group company, from Canada Life Limited as Facility Agent

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	Combined 2022
	£'000	£'000
Debt		
Housing and bank loans	**6,660**	8,258
Other loans	**1,272**	1,307
Amounts due to related undertakings	**-**	127,235
Obligations under finance leases	**-**	953
	7,932	137,753
Interest accruals	**6,904**	11,400
Rents and service charges received in advance	**4,284**	2,648
Payments received on account	**2,763**	2,041
Other taxes	**106**	837
Trade creditors	**3,830**	2,058
Other creditors and accruals	**11,654**	13,147
Capital creditors	**4,253**	3,014
Deferred government grant	**4,366**	4,553
Recycled Capital Grant Fund (note 21)	**1,332**	992
	47,424	178,443

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	Combined 2022
Debt	**£'000**	£'000
Housing and bank loans	**315,766**	326,878
Other loans	**38,073**	42,934
Amounts due to related undertakings	**266,241**	170,426
Obligations under finance leases	**59,105**	59,105
	679,185	599,343
Other financial liabilities		
Leaseholder contributions towards sinking funds	**919**	674
Deferred government grant	**280,070**	290,467
Recycled Capital Grant Fund (note 21)	**4,007**	7,852
Fair value breakage costs	**38,281**	88,724
Total creditors falling due after more than one year	**1,002,461**	987,060

Analysis of debt and other financial liabilities

These are repayable as follows:-

	2023	2022
In one year or less	**7,932**	137,753
In one year or more but less than two years	**12,161**	10,188
In two years or more but less than five years	**344,999**	209,742
In more than five years	**267,014**	379,413
	632,106	737,096

All secured loans are supported by specific charges on the Group or Associations' housing properties and are repayable at varying rates of interest from, 4.27% - 11.95%, in instalments.

21. RECYCLED CAPITAL GRANT FUND

		Homes England		Greater London Authority	
			Combined		Combined
		2023	2022	**2023**	2022
		£'000	£'000	**£'000**	£'000
At 1 April		**4,706**	3,687	**4,138**	4,131
Inputs to RCGF:	Grant recycled	**1,291**	1,015	**-**	25
	Interest Accrued	**88**	4	**1**	8
	Transfers from other group members	**106**	-	**-**	-
Recycling of grant:	New Build	**(950)**	-	**-**	-
Repayment of grant to the HCA/GLA		**-**	-	**(4,042)**	(26)
At 31 March		**5,241**	4,706	**97**	4,138
Amounts 3 years old or older where repayment may be required		**2,283**	1,610	**29**	4,042

22. PROVISION FOR LIABILITIES AND CHARGES

	At 1 April 2022 (combined)	**Additional provision**	**Utilised**	**At 31 March 2023**
	£'000	**£'000**	**£'000**	**£'000**
Deferred tax liabilities (note 10)	3,533	**-**	**(3,533)**	**-**
	3,533	**-**	**(3,533)**	**-**

23. PENSION OBLIGATIONS

The pensions costs for Places for People Living+ Limited relate to three schemes of which employees are members; the Places for People Group Stakeholder Scheme, the Social Housing Pension Scheme and the Cambridgeshire County Council Pension Fund.

The Places for People Group Stakeholder Scheme

Employees joining the Group from 1 September 2004 have the option of joining a defined contribution retirement benefit scheme - the Places for People Stakeholder Pension Plan and Group Life Assurance Scheme.

The total cost charged to the statement of comprehensive income of £691k (2022: £571k) represents contributions payable to these schemes by the Association at rates specified in the rules of the plan.

The Social Housing Pension Scheme (SHPS)

The Association participates in the Social Housing Pension Scheme (SHPS), a multi-employer scheme which provides benefits to non-associated employers.

SHPS is a defined benefit scheme in the UK and is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2020. This valuation revealed a deficit of £1,560m. A recovery plan has been put in place with the aim of removing this deficit by 31 March 2028.

SHPS is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

For financial years ending on or before 28 February 2019, it had not been possible for the company to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the Group has previously accounted for SHPS as a defined contribution scheme. For financial years ending on or after 31 March 2019, it was possible to obtain sufficient information to enable the company to account for the scheme as a defined benefit scheme.

The mortality assumption used at 31 March 2023 is that a male currently aged 65 years old has a life expectancy of 21.0 years (2022: 21.0 years), a female currently aged 65 years old has a life expectancy of 23.4 years (2022: 23.7 years), a male currently aged 45 years old has a life expectancy of 42.2 years (2022: 42.4 years) and a female currently aged 45 years old has a life expectancy of 45.2 years (2022: 44.9 years).

Cambridgeshire County Council Pension Fund (CCCPF)

The Group participated in Cambridgeshire County Council Pension Fund (CCCPF) until participation was ceased at 28 February 2023. At cessation there were 11 active members. A cessation valuation was performed by Hymans Robertson to determine the liabilities of the Fund in respect of current and former employers. The valuation concluded that no exit debit or credit would be payable as the value of the scheme's assets at cessation (£32.3m) fell between the range of liability values calculated (£24.8m to £34.2m). Upon cessation, Group followed FRS 102 approach and recorded a P&L surplus of £4.5m in the year ending 31 March 2023.

The CCCPF was a multi-employer scheme administered by Cambridgeshire County Council under the regulations governing the Local Government Pension Scheme (LGPS), a defined benefit scheme. Triennial actuarial valuations of the pension scheme were performed by an independent, professionally qualified actuary using the projected unit method. The latest Triennial actuarial valuation was at 31 March 2019.

The mortality assumption used at 31 March 2022 was that a male aged 65 years old has a life expectancy of 22.0 years, a female aged 65 years old has a life expectancy of 24.2 years, a male aged 45 years old has a life expectancy of 42.9 years and a female aged 45 years old has a life expectancy of 46.0 years.

23. PENSION OBLIGATIONS (CONTINUED)

The major assumptions used by the actuary were:			Combined	Combined
	SHPS	**CCCPF**	SHPS	CCCPF
	2023	**2023**	2022	2022
Discount rate	**4.60%**	**n/a**	2.80%	2.70%
Price inflation (RPI)	**3.40%**	**n/a**	3.60%	n/a
Price inflation (CPI)	**2.90%**	**n/a**	2.85%	n/a
Salary growth	**3.79%**	**n/a**	4.15%	3.70%
Rate of increase in pension payments (CPI)	**n/a**	**n/a**	n/a	3.20%

The major categories of assets as a percentage of total assets are as follows:			Combined	Combined
	SHPS	**CCCPF**	SHPS	CCCPF
	2023	**2023**	2022	2022
Diversified growth funds	**12.2%**	-	13.3%	-
Equities	**1.9%**	-	19.5%	69.0%
Gilts	-	-	-	15.0%
Liability driven investments	**61.8%**	-	38.2%	0.0%
Cash and cash equivalents	**1.4%**	-	-	1.0%
Absolute return bonds	-	-	4.9%	-
Corporate bonds	**0.9%**	-	6.7%	-
Other fixed interest	**7.6%**	-	7.2%	-
Insurance linked securities	**2.5%**	-	2.3%	-
Direct lending	**4.4%**	-	2.6%	-
Property	**7.3%**	-	5.3%	15.0%
	100.0%	**-**	100.0%	100.0%

Amounts recognised in the Statement of Financial Position				Combined	Combined	Combined
	SHPS	**CCCPF**	**Total**	SHPS	CCCPF	Total
	2023	**2023**	**2023**	2022	2022	2022
	£'000	**£'000**	**£'000**	£'000	£'000	£'000
Fair value of plan assets	**17,900**	-	**17,900**	28,018	32,132	60,150
Present value of defined benefit obligation	**(23,060)**	-	**(23,060)**	(30,786)	(36,646)	(67,432)
Net liability recognised in the statement of financial position	**(5,160)**	**-**	**(5,160)**	(2,768)	(4,514)	(7,282)

23. PENSION OBLIGATIONS (CONTINUED)

Analysis of amounts recognised in the Statement of Comprehensive Income

	SHPS 2023 £'000	**CCCPF 2023 £'000**	**Total 2023 £'000**	Combined SHPS 2022 £'000	Combined CCCPF 2022 £'000	Combined Total 2022 £'000
Expenses	**(5)**	**-**	**(5)**	(6)	-	(6)
Expected return on plan assets	**786**	**-**	**786**	556	594	1,150
Interest on scheme liabilities	**(851)**	**-**	**(851)**	(691)	(772)	(1,463)
Current service cost	**-**	**-**	**-**	-	(385)	(385)
Cessation of defined benefit pension scheme	**-**	**4,514**	**4,514**	-	-	-
Amounts charged to other finance costs	**(70)**	**4,514**	**4,444**	(141)	(563)	(704)

Amounts recognised in Other Comprehensive Income

	SHPS 2023 £'000	**CCCPF 2023 £'000**	**Total 2023 £'000**	Combined SHPS 2022 £'000	Combined CCCPF 2022 £'000	Combined Total 2022 £'000
Actuarial gain/(loss) in pension scheme	**(3,193)**	-	**(3,193)**	3,357	4,464	7,821

Movement in fair value of plan assets

	SHPS 2023 £'000	**CCCPF 2023 £'000**	**Total 2023 £'000**	Combined SHPS 2022 £'000	Combined CCCPF 2022 £'000	Combined Total 2022 £'000
As at 1 April	**28,018**	**32,132**	**60,150**	26,518	29,856	56,374
Cessation of defined benefit pension scheme	**-**	**(32,132)**	**(32,132)**	-	-	-
Interest on plan assets	**786**	**-**	**786**	556	594	1,150
Company contributions	**887**	**-**	**887**	927	607	1,534
Contribution by scheme participants	**-**	**-**	**-**	-	53	53
Benefits paid	**(747)**	**-**	**(747)**	(1,007)	(953)	(1,960)
Return on plan assets less interest	**(11,044)**	**-**	**(11,044)**	1,024	1,975	2,999
As at 31 March	**17,900**	**-**	**17,900**	28,018	32,132	60,150

Movement in present value of defined benefit obligation

	SHPS 2023 £'000	**CCCPF 2023 £'000**	**Total 2023 £'000**	Combined SHPS 2022 £'000	Combined CCCPF 2022 £'000	Combined Total 2022 £'000
As at 1 April	**30,786**	**36,646**	**67,432**	33,410	38,878	72,288
Cessation of defined benefit pension scheme	**-**	**(36,646)**	**(36,646)**	-	-	-
Current service costs	**21**	**-**	**21**	25	385	410
Contribution by scheme participants	**-**	**-**	**-**	-	53	53
Interest costs	**851**	**-**	**851**	691	772	1,463
Benefits paid	**(747)**	**-**	**(747)**	(1,007)	(953)	(1,960)
Gains from changes to demographic assumptions	**(54)**	**-**	**(54)**	(487)	(178)	(665)
Losses from changes to financial assumptions	**(8,048)**	**-**	**(8,048)**	(3,329)	(2,385)	(5,714)
Actuarial gain on obligation	**251**	**-**	**251**	1,483	74	1,557
As at 31 March	**23,060**	**-**	**23,060**	30,786	36,646	67,432

24. NON-EQUITY SHARE CAPITAL

	2023	2022
	£	£
Shares of £1 each Authorised, Issued, Allotted and Fully Paid		
At 1 April and 31 March	**805**	805

The Association's shares are not transferable or redeemable. Payment of dividends or other benefits to shareholders is forbidden by the Association's Rules.

25. CAPITAL COMMITMENTS

		Combined
	2023	2022
	£'000	£'000
Capital expenditure authorised and contracted but not provided for within the financial statements	**14,038**	31,695
Additional Capital expenditure that has been authorised by the Board of directors	**225,551**	150,843

The above commitments will be financed in accordance with the Group Treasury management policy which is detailed in the Places for People Group consolidated accounts.

The commitments under non-cancellable operating leases for the following year, analysed according to the period in which each lease expires, are set out below:

	Land and buildings	**Motor vehicles**	Combined Land and buildings	Combined Motor vehicles
	2023	**2023**	2022	2022
	£'000	**£'000**	£'000	£'000
In one year or less	**1,956**	**76**	1,956	90
Between one and two years	**1,956**	**24**	-	69
Between two and five years	**5,868**	**4**	7,824	5
In more than five years	**8,253**	**-**	10,209	-
	18,033	**104**	19,989	165

26. CONTINGENT LIABILITIES

The Association, together with some fellow subsidiaries of the Places for People Group, has guaranteed to holders of debt issued by members of the Places for People Group, the principal amount and interest accrued in respect of certain debts in the event of default by the issuing entity. The total capital outstanding at 31 March 2023 in respect of such guarantees was £2,002.6m (2022: £2,770.2m). The total interest accrued at 31 March 2023 relating to this debt was £19.3m (2022: £27.6m).

The Group is party to legal action arising from the scheme rules on the Social Housing Pension Scheme. More detail can be found in note 23.

The Group is party to prospective legal action arising from the scheme rules of the Group retirement benefit pension scheme, more detail can be found within note 23.

These represent the maximum exposure for the Association. The directors consider it extremely unlikely that the company would be required to make any payments in respect of this guarantee.

Under the terms of the large scale voluntary transfer of homes from Huntingdonshire District Council to Huntingdonshire Housing Partnership dated 20th March 2000, the local authority is entitled to receive a share of the proceeds from any home that is sold under preserved right to buy. The percentage of any proceeds repayable to the council varies over the 30 year period covered by the transfer agreement.

27. RELATED PARTY TRANSACTIONS AND ULTIMATE PARENT UNDERTAKING

Transactions with Group companies
Places for People Living+ Limited is a subsidiary of Places for People Group Limited, 305 Gray's Inn Road, London, WC1X 8QR. Since the parent company publishes consolidated Group accounts, the Association has utilised the exemption not to report transactions with other Group members as permitted in FRS102 section 33.1A.

Defined benefit schemes
Under Section 33 of FRS 102 defined benefit pension schemes are considered to be related parties. Employees of the Association are members of the following defined benefit schemes: The Social Housing Pension Scheme, The Places for People Group Retirement Benefit Scheme and The Places for People Group Stakeholder Scheme. Details of transactions with the schemes are disclosed in note 23.

Places for People Living+ Limited is a subsidiary of the Places for People Group Limited, 305 Gray's Inn Road, London, WC1X 8QR. Since the parent company publishes consolidated group accounts, the Association has taken advantage of the exemption not to report transactions with other group members as permitted in FRS 102.33.1A.

28. HOUSING STOCK

The Group owns or manages 28,676 housing properties, a breakdown of these housing properties is shown below:

	2022	Acquired as part of transfer of engagements	Units developed or newly built units acquired	Units sold/ demolished	Other movements	2023
	No	No	No	No	No	No
Social Housing owned						
General Needs Housing	2,807	12,328	2	(10)	-	**15,127**
Affordable Housing - General Needs	223	953	-	(1)	-	**1,175**
Affordable Housing - Supported Housing		84	-	-	-	**84**
Supported housing	2,284	241	48	(23)	5	**2,555**
Housing for Older people	614	1,223	-	-	-	**1,837**
Low cost home ownership accommodation	58	1,189	-	-	-	**1,247**
Total Social housing owned	5,986	16,018	50	(34)	5	**22,025**

	2022	Acquired as part of transfer of engagements	Units developed or newly built units acquired	Units sold/ demolished	Other movements	2023
	No	No	No	No	No	No
Social housing managed						
General Needs Housing	-	14,340	2	(10)	5	**14,337**
Affordable Housing - General Needs	59	1,084	72	-	-	**1,215**
Affordable Housing - Supported Housing		84	-	-	-	**84**
Supported housing	1,406	180	54	(23)	(5)	**1,612**
Housing for Older people	886	1,267	-	-	-	**2,153**
Low cost home ownership accommodation	4	1,317	-	-	-	**1,321**
Total social housing managed	2,355	18,272	128	(33)	-	**20,722**

	2023	2022
Non-social housing managed	**No**	No
Market rent (incl. keyworker accommodation)	**188**	-
Leased housing - freehold only	**1,194**	18
Student accommodation	**985**	-
Total non-social housing managed	**2,367**	18
Total social housing managed	**20,722**	2,355
Total housing managed	**23,089**	2,373
Total housing owned but managed by another body	**5,587**	4,353
Total housing owned or managed	**28,676**	6,726
Garages, commercial premises and other non-residential units managed or serviced	**2,223**	185
Total residential and non-residential units managed or serviced	**30,899**	6,911

The Association manages 4,284 units (2022: 722) which are owned by other Registered Providers.

29. PUBLIC BENEFIT ENTITY COMBINATION

As stated in note 1, Cotman Housing Association Limited, Derwent Housing Association Limited, Derwent Community Housing Association Limited and Chorus Homes Limited transferred its engagements (that is, its assets and liabilities) to Places for People Living+ Limited on 31 March 2023, and this has been accounted for as a merger under public benefit entity combinations. Therefore, these financial statements are presented as if Places for People Living+ Limited had existed in its current form since the start of the previous reporting period. As part of the transfer, on 31 March 2023 Chorus Homes Group Limited transferred its engagements to Chorus Homes Limited.

Any transactions between the involved parties prior to the merger are required to be eliminated. Details of significant adjustments to net assets as a result of the merger are shown below.

	£'000
Intercompany eliminations[1]	**(64,333)**
Fair value adjustment for the debt acquired[2]	**(38,281)**
	(102,614)

[1] Chorus Homes Group Limited held a fixed asset investment in Chorus Homes Limited with a net book value of £64,333,000. Derwent Housing Association Limited held a fixed asset investment in Derwent Community Housing Association Limited with a net book value of £2. Both fixed asset investments have been eliminated when preparing these financial statements.

[2] On 26 March 2018 the Chorus entities (previous name Luminus) joined the Places for People Group. The Group considered that the combination was in substance a gift as zero consideration was made. As such, the net assets, at fair value, were recognised as a gain in the statement of comprehensive income. For three external loans acquired, a fair value adjustment was recognised and is being amortised in the statement of comprehensive income in Places for People Group Limited accounts. The combination transferred the trade and assets of the Chorus Group at book value, other than the loans which have been transferred at the values currently in Places for People Group Limited.

As a result of the merger the accounting treatment for finance lease arrangements, previously adopted by Derwent Housing Association Limited, was deemed to be inconsistent with FRS102 and not aligned with group accounting policy. The accounting treatment is now aligned with group policies and has been applied from start of the previous reporting period. Details of the change is shown below.

Derwent Housing Association Limited	As previously reported	Restatement	Amount as restated
	£'000	£'000	£'000
Interest payable and similar charges	(17,076)	925	(16,151)
Surplus for the year	3,078	925	4,003
Creditors: amounts falling due within one year	(37,291)	(953)	(38,244)
Creditors: amounts falling due after more than one year	(488,617)	9,278	(479,339)
Net assets	102,757	8,325	111,082

The disclosures on the next page provide an analysis of the numbers reported in these financial statements for the involved parties prior to the merger, and of the combined party post-merger.

29. PUBLIC BENEFIT ENTITY COMBINATION (CONTINUED)

Total comprehensive income for the year ended 31 March 2023

	Cotman Housing Association Limited	**Derwent Housing Association Limited**	**Derwent Community Housing Association Limited**	**Chorus Homes Limited**	**Chorus Homes Group Limited**	**Places for People Living+ Limited**	**Adjustments & intercompany eliminations**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Turnover	**18,666**	**56,088**	**31**	**39,251**	**50**	**48,258**	**(2,609)**	**159,736**
Operating surplus	**6,511**	**24,188**	**(43)**	**3,962**	**4,625**	**15,808**	**(2,500)**	**52,552**
Surplus for the year	**6,016**	**14,530**	**(233)**	**(10,304)**	**4,625**	**11,596**	**47,945**	**74,176**
Total comprehensive income for the year	**5,540**	**11,448**	**(233)**	**(10,304)**	**4,625**	**11,596**	**47,945**	**70,618**
Net assets	**65,902**	**110,444**	**1,586**	**186,069**	**61,727**	**216,467**	**(102,612)**	**539,584**

Total comprehensive income for the year ended 31 March 2022

	Cotman Housing Association Limited	Derwent Housing Association Limited	Derwent Community Housing Association Limited	Chorus Homes Limited	Chorus Homes Group Limited	Places for People Living+ Limited	Adjustments & intercompany eliminations	**Total**
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	**£'000**
Turnover	18,211	57,981	455	43,260	2,345	40,263	(2,434)	**160,081**
Operating surplus	7,892	23,064	198	21,498	(383)	13,310	(3)	**65,576**
Surplus for the year	7,104	3,078	(1)	7,938	(561)	11,550	6,166	**35,274**
Total comprehensive income for the year	7,370	5,413	(1)	7,938	3,903	11,550	6,166	**42,339**